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Spain

Strawberries

Voluntary Update

2007

Approved by:

Stephen Hammond
U.S. Embassy

Prepared by:

Steve Welch
Arantxa Medina

Report Highlights:

The World Wildlife Fund (WWF/Adena in Spain) is challenging Spanish strawberry production techniques, attempting to change these practices through "economic persuasion" by way of fomenting a boycott of fresh Spanish strawberries in northern Europe. WWF/Adena's activities have received press attention, and there have been some reported cancellations of orders, but the Spanish industry and the ministry of agriculture are working to mitigate the potential crisis.

Includes PSD Changes: Yes
Includes Trade Matrix: Yes
Unscheduled Report
Madrid [SP1]
[SP]

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Executive Summary

- At the peak of the Spanish strawberry export season, WWW/Adena has targeted Spanish strawberry exports to countries across Europe. The strawberry production area, with 90 percent of domestic production, surrounds Doñana Park, a UNESCO-designated world patrimony site that harbors migratory birds traveling between Europe and Africa. Environmentalists charge that strawberry producers continue production inside areas designated as park buffer, and use harmful practices such as herbicide and pesticide use, and methyl bromide application for soil sterilization (despite the ban on its use for this purpose). Producers also reportedly use improper disposal of plastic wastes (from soil fumigation containments, greenhouse and tunnel coverings) by burning and illegal dumping on the park periphery. In addition, WWW/Adena accused producers of overusing water in the production of strawberries.
- Local government officials and the industry association representatives are responding to the charges, in an attempt to mitigate potential losses in the all-important northern European market. The association of producers believes that their efforts are successful, and reportedly, orders are not off significantly at this point in the campaign.
- We are revising our forecast for Spanish calendar year (CY) 2007 fresh strawberry exports downward to 185,000 metric tons (MT), just under eight percent below last year's 208,000 MTs. Spanish fresh strawberry exports compete with U.S. fresh strawberry exports in the United Kingdom and Ireland, and as such, this reduction may have price and market opening implications for U.S. exports. We are revising downward our export forecast, because the Spanish Ministry of Agriculture's has revised its estimate of this year's planted area and production, which still leaves room for further downward adjustment in our export estimate if the WWW/Adena campaign becomes effective.
- In the frozen strawberry supply and demand table in this report we are forecasting 24,000 MT of frozen strawberry exports during CY 2007, just slightly above last year's exports. The projected increase is the result of an adjustment in last year's frozen production, which we now estimate at a record of almost 71 thousand tons. From that record production, we estimate that the processing industry accumulated stocks that will be exported during this calendar year offsetting the reduced deliveries for processing we are estimating from this year's crop.
- Dominant varieties cultivated are the *Reina de los valles*, the *Camarosa*, *Tudia*, *Oso grande*, *Cartuno* and *Carisma*. About 95 percent of the rootstock is imported from California nurseries, and shipped to high-altitude nurseries in the northern autonomous community of Castile-Leon, for production of second-generation plants that are shipped to the cultivation areas in the south.

Fresh Strawberries

Production, Supply & Distribution Table

PSD Table

Country Spain

Commodity Strawberries, Fresh

(HA)(MT)

| | 2005 | Revised | | 2006 | Estimate | | 2007 | Forecast | |
|--------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | USDA | Post | Post | USDA | Post | Post | USDA | Post | Post |
| | Official | Estimate | Estimate | Official | Estimate | Estimate | Official | Estimate | Estimate |
| | | | New | | | New | | | New |
| Market Year | 01-2005 | | | 01-2006 | | | 01-2007 | | |
| Begin | | | | | | | | | |
| Area Planted | 7,611 | 7,611 | 7,611 | 7,678 | 7,678 | 7,400 | 8,058 | 8,058 | 7,100 |
| Area Harvested | 7,611 | 7,611 | 7,611 | 7,678 | 7,678 | 7,400 | 8,058 | 8,058 | 7,100 |
| Production | 308,000 | 308,000 | 308,000 | 333,500 | 333,500 | 333,500 | 306,400 | 306,400 | 275,600 |
| Imports | 6,136 | 6,136 | 6,014 | 5,000 | 5,000 | 4,735 | 8,000 | 8,000 | 5,000 |
| Total Supply | 314,136 | 314,136 | 314,014 | 338,500 | 338,500 | 338,235 | 314,400 | 314,400 | 280,600 |
| Exports, Fresh | 215,274 | 215,274 | 237,534 | 217,000 | 217,000 | 207,974 | 200,000 | 200,000 | 185,000 |
| Fresh Dom. | | | | | | | | | |
| Consumption | 37,000 | 37,000 | 32,000 | 40,000 | 40,000 | 41,761 | 36,000 | 36,000 | 40,000 |
| For Processing | 61,862 | 61,862 | 44,480 | 81,500 | 81,500 | 88,500 | 78,400 | 78,400 | 55,600 |
| Total Distribution | 314,136 | 314,136 | 314,014 | 338,500 | 338,500 | 338,235 | 314,400 | 314,400 | 280,600 |

Production

| MARKET YEAR | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 * |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Area (HA) | 11,100 | 9,800 | 8,900 | 9,100 | 7,558 | 7,611 | 7,400 | 7,100 |
| Prod. (MT) | 344,800 | 315,100 | 278,700 | 264,200 | 288,100 | 308,000 | 333,500 | 275,600 |
| Average Yield (Mt/Ha) | 31.1 | 32.2 | 31.3 | 29.0 | 38.1 | 40.5 | 43.4 | 38.8 |

Source: MAPA 2000-2006. *The 2007 figure is forecast from MAPA-Avances.

Data 2000-2003: http://www.mapa.es/estadistica/Anu_04/pdf/PDF11_43.pdfData 2004-2006: http://www.mapa.es/estadistica/pags/superficie/pdf/Avances_Cultivos_2006_08.pdf

Trade**General**

Spain: Fresh Strawberry Imports

| CY: | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| EU* | 3,330 | 2,411 | 5,166 | 6,337 | 4,958 | 3,128 | 1,802 | 1,500 |
| Non-EU | 1,010 | 1,002 | 1,328 | 953 | 2,969 | 2,886 | 2,933 | 2,000 |
| TOTAL | 4,340 | 3,413 | 6,494 | 7,290 | 7,927 | 6,014 | 4,735 | 3,500 |

Source: Global Trade Atlas (GTA) up till CY-2006. FAS Madrid forecast for CY-2007.

*EU figures through 2003 are for EU-15. 2004-2006 is EU-25. Updated: 4/3/2007

Spain: Fresh Strawberry Exports

| CY: | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------|---------|---------|---------|---------|---------|---------|---------|---------|
| EU* | 201,409 | 220,108 | 212,239 | 214,960 | 247,048 | 233,004 | 204,342 | 180,000 |
| Non-EU | 5,292 | 5,011 | 4,281 | 5,154 | 4,067 | 4,530 | 3,632 | 5,000 |
| TOTAL | 206,701 | 225,119 | 216,520 | 220,114 | 251,115 | 237,534 | 207,974 | 185,000 |

Source: Global Trade Atlas (GTA) up till CY-2006. FAS Madrid forecast for CY-2007.

*EU figures through 2003 are for EU-15. 2004-2006 is EU-25. Updated: 4/3/2007

Trade Matrices**Import Trade Matrix**

Updated 3/29/2007

Country

Spain

Commodity

Strawberries, Fresh

Time Period

Jan-Dec

Units:

Metric Tons

Imports for:

2005

2006

U.S.

U.S.

Others

Others

| | | | |
|-------------------|-------|----------------|-------|
| Morocco | 2,631 | Morocco | 2,563 |
| Portugal | 981 | Portugal | 476 |
| France | 943 | Belgium | 430 |
| Italy | 595 | France | 362 |
| Belgium | 280 | Netherlands | 329 |
| Netherlands | 257 | Peru | 279 |
| Peru | 195 | Germany | 82 |
| Germany | 61 | United Kingdom | 66 |
| Argentina | 34 | Chile | 41 |
| Chile | 11 | Italy | 34 |
| Total for Others | 5,988 | | 4,662 |
| Others not Listed | 26 | | 73 |
| Grand Total | 6,014 | | 4,735 |

Source: GTA

Export Trade Matrix

Updated: 3/29/2007

Country

Spain

Commodity

Strawberries, Fresh

Time Period

Jan-Dec

Units:

Metric Tons

Exports for:

2005

2006

U.S.

U.S.

Others

Others

| | | | |
|-------------------|---------|----------------|---------|
| France | 79,363 | France | 74,120 |
| Germany | 68,666 | Germany | 52,879 |
| Italy | 20,943 | Italy | 21,505 |
| United Kingdom | 19,954 | United Kingdom | 18,909 |
| Belgium | 10,985 | Belgium | 8,333 |
| Portugal | 9,259 | Portugal | 7,664 |
| Netherlands | 7,382 | Netherlands | 6,638 |
| Austria | 4,957 | Austria | 4,509 |
| Denmark | 3,008 | Denmark | 2,534 |
| Switzerland | 2,826 | Poland | 2,448 |
| Total for Others | 22,7343 | | 199,539 |
| Others not Listed | 10,191 | | 8,435 |
| Grand Total | 237,534 | | 207,974 |

Frozen Strawberries

Production, Supply & Distribution Table

PSD Table

Country Spain

Commodity Strawberries, Frozen

(MT)

| Market Year Begin | 2005 Revised | | | 2006 Estimate | | | 2007 Forecast | | |
|----------------------|------------------|------------------|-------------------------|------------------|------------------|-------------------------|------------------|------------------|-------------------------|
| | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New | USDA Official | Post Estimate | Post Estimate New |
| | 01-2005 | | | 01-2006 | | | 01-2007 | | |
| Deliv. To | | | | | | | | | |
| Processors | 61,862 | 61,862 | 44,480 | 81,500 | 81,500 | 88,500 | 78,400 | 78,400 | 55,600 |
| Beginning Stocks | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 15,400 |
| Production | 49,400 | 49,400 | 35,520 | 65,000 | 65,000 | 70,583 | 62,500 | 62,500 | 44,324 |
| Imports | 15,099 | 15,099 | 15,114 | 15,100 | 15,100 | 15,230 | 18,000 | 18,000 | 15,500 |
| Total Supply | 64,499 | 64,499 | 50,634 | 80,100 | 80,100 | 85,813 | 80,500 | 80,500 | 75,224 |
| Exports | 21,914 | 21,914 | 22,869 | 19,700 | 19,700 | 21,875 | 15,500 | 15,500 | 24,000 |
| Domestic | | | | | | | | | |
| Consumption | 42,585 | 42,585 | 27,765 | 60,400 | 60,400 | 48,538 | 65,000 | 65,000 | 51,224 |
| Ending Stocks | 0 | 0 | 0 | 0 | 0 | 15,400 | 0 | 0 | 0 |
| Total Distribution | 64,499 | 64,499 | 50,634 | 80,100 | 80,100 | 85,813 | 80,500 | 80,500 | 75,224 |

Trade

General

Spain: Frozen Strawberry Imports

| CY: | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------|-------|-------|--------|--------|--------|--------|--------|--------|
| EU* | 451 | 441 | 753 | 368 | 769 | 1,183 | 1,277 | 1,500 |
| Non-EU | 7,257 | 6,910 | 10,516 | 12,647 | 21,535 | 13,933 | 13,953 | 14,000 |
| TOTAL | 7,708 | 7,351 | 11,270 | 13,016 | 22,304 | 15,114 | 15,230 | 15,500 |

Source: Global Trade Atlas (GTA) up till CY-2006. FAS Madrid forecast for CY-2007.

*EU figures through 2003 are for EU-15. 2004-2006 is EU-25. Updated: 4/2/2007

Spain: Frozen Strawberry Exports

| CY: | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| EU* | 22,683 | 21,206 | 22,509 | 29,297 | 32,942 | 21,704 | 20,371 | 22,000 |
| Non-EU | 1,336 | 2,051 | 2,762 | 3,830 | 1,948 | 1,165 | 1,506 | 2,000 |
| TOTAL | 24,016 | 23,256 | 25,271 | 33,126 | 34,890 | 22,869 | 21,875 | 24,000 |

Source: Global Trade Atlas (GTA) up till CY-2006. FAS Madrid forecast for CY-2007.

*EU figures through 2003 are for EU-15. 2004-2006 is EU-25. Updated: 4/3/2007

Trade Matrices

Import Trade Matrix

Updated: 4/2/2007

Country

Spain

Commodity

Strawberries, Frozen

Time Period

Jan-Dec

Units:

Metric Tons

Imports for:

2005

2006

U.S.

U.S.

Others

Others

| | | | |
|-------------------|--------|-------------|--------|
| Morocco | 13,373 | Morocco | 13,658 |
| China | 554 | Belgium | 438 |
| France | 454 | Poland | 282 |
| Belgium | 372 | France | 223 |
| Netherlands | 173 | Netherlands | 160 |
| Poland | 123 | China | 140 |
| Germany | 33 | Germany | 105 |
| Portugal | 15 | Tunisia | 69 |
| Sweden | 8 | Sweden | 38 |
| Chile | 6 | Switzerland | 37 |
| Total for Others | 15,109 | | 15,150 |
| Others not Listed | 5 | | 61 |
| Grand Total | 15,114 | | 15,230 |

Export Trade Matrix

Updated: 3/29/2007

Country

Spain

Commodity

Strawberries, Frozen

Time Period

Jan-Dec

Units:

Metric Tons

Exports for:

2005

2006

U.S.

U.S.

Others

Others

| | | | |
|-------------------|--------|----------------|--------|
| Netherlands | 7,209 | Netherlands | 6,763 |
| France | 5,738 | France | 5,158 |
| Germany | 2,762 | Germany | 4,851 |
| Italy | 1,334 | United Kingdom | 1,331 |
| Czech Republic | 1,078 | Switzerland | 957 |
| Portugal | 810 | Austria | 621 |
| Belgium | 752 | Belgium | 491 |
| United Kingdom | 720 | Italy | 469 |
| Austria | 553 | Slovenia | 312 |
| Switzerland | 448 | Kuwait | 206 |
| Total for Others | 21,404 | | 21,159 |
| Others not Listed | 1,426 | | 524 |
| Grand Total | 22,869 | | 21,875 |